GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3976
ANSWERED ON:09.08.2002
WORLD BANK LOAN TO POWER GRID CORPORATION
BASUDEB ACHARIA

Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the newsitem captioned `World Bankloan 560 crore of Power Grid Corporation Ltd` as appearing in `Indian Express` dated the July 10, 2001;

(b) if so, the facts reported in the news item;

(c) whether this is due to delay in giving clearance by the Cabinet Committee on Economic Affairs;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to resolve the situation?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE):

(a) Yes, Sir.

(b) to je) The investment component referred in the newsitem relates to Establishment ofBackbone Telecom System of the POWERGRID. The World Bank has conveyed their finalho-objection` to extension of bid validity upto August 31, 2002. This investment proposal was considered by CCEA on 13.3.2002. CCEA has directed that Finance Minister, Communication Minister and Minister of Power examine the matter and make recommendations in this regard.